



Commercial /Retail Development Committee

Three-Star Program

The improving retail and commercial services leads to money remaining in the community that, in turn, circulates back through the economy and into the schools and other services. However, these improvements require knowledge of what the city or cities currently offer, what the current businesses can provide and what the consumers desire from the retail sector.

Responsibilities of Chairperson(s):

- ✓ **Form a Retail/Service Development Committee** to establish a commercial development committee to promote the development of retail trade and commercial interests in the community. The following groups **should** be represented on the commercial development committee: merchants, chambers of commerce, financial institutions, local government, local planning commissions, schools, realtors, and civic clubs.

A community that is participating in the Tennessee Main Street Program may have a committee in place and working on these issues. In that case, documentation of that committee's work can be submitted to your specialist for review and may count toward certification in this section.

- ✓ **Business Inventory:**

It is important for the community to determine both the quantity and quality of commercial services that already exist. To do this, an inventory of all commercial business should be conducted. Information should be gathered on such things as owner, address, merchandise, and range of goods. This inventory will help the community determine the relative strengths and weaknesses of its commercial mix and formulate ideas on how to address weak service areas. The Regional Economic Development Specialist (REDS) can assist you in this inventory process with forms and examples of inventorying using SIC codes.

- ✓ **Community Information:**

When gaps in the commercial mix are identified that cannot be met by existing businesses, the commercial development committee may want to recruit new business to the community. To respond to prospect inquiries and recruit proactively, it would be helpful to assemble a community information package. This information packet **must** include the following:

- a. Profiles of available buildings and sites (property development class recommended)
- b. List of other businesses
- c. A community map
- d. Descriptions of financial and technical assistance available,
- e. Information on property valuation
- f. Retail sales data
- g. A comprehensive community profile

✓ **Customer Surveys:**

Another way to get valuable information is by surveying local customers. These surveys can be done in person, over the phone, or through the newspaper. By conducting this type of survey, a community should gain insight into shopper attitudes and expectations, shopping patterns, and income information. A community should seek a valid response rate to ensure the validity of the data. Undertaking this type of survey, will enable the committee to build consensus in the community for the commercial development effort and have information readily available for commercial developers who are interested in possible investing in the community.

✓ **Promotion of Retail Business:**

It is very important that existing businesses be promoted and local customers be encouraged to shop locally for goods and services. The committee should work with the local merchants association and chamber of commerce to plan and organize promotional events, such as sales events and business expos. The goal of these events is for businesses to gain increased exposure locally and to promote their positive attributes to the local customer.

✓ **Recruiting Plan:**

If the business inventory and customer survey identify gaps in the commercial mix, the community may decide to target new businesses for recruitment. Any recruiting plan must the following:

- a. Determine the types of business that are needed to strengthen the communities commercial sector
- b. List potential businesses to target using the inventory, survey and market research, the committee can list the type of businesses that could be successfully recruited.
- c. Collect information on potential businesses
- d. Assemble and update community information
- e. Form a recruitment team consisting of retailers who have been successful in the community along with people, such as bankers, realtors and developers, who can provide information of interest to the prospect
- f. Maintain contact with prospective businesses.

✓ **Merchants Association:**

An organized local merchants association that **should**, at a minimum, meet quarterly to develop plans and strategies to promote their businesses and attract customers.

✓ **Customer Service Training:**

An annual customer service-training program to assist employees in improving customer relations. (ECD will be able to assist in customer service training. Contact your Regional Economic Development Specialist for more information. If provided by ECD, a minimum attendance of 15 is required in order to receive points.)